



## FIRST ADVANTAGE TAX CONSULTING SERVICES

First Advantage helps deliver hard dollar savings for your organization by screening new hires for tax credit eligibility. We screen job applicants for the Work Opportunity Tax Credit (WOTC), as well as other federal, state and local credits that your business can earn as a result of hiring individuals from targeted categories or who reside within defined geographic areas.

WOTC allows employers to earn a federal income tax credit based on the wages of certain categories of workers that may face barriers to employment, including former welfare recipients.

For more information about screening job applicants for tax credit eligibility, contact First Advantage at 800.669.6005 or e-mail [tax@FADV.com](mailto:tax@FADV.com).

Potential Credit Value	
▶	<b>\$9,000</b> for each new long-term family assistance recipient hired
▶	<b>\$4,800</b> for each new disabled veteran hired
▶	<b>\$2,400</b> for each new adult hired
▶	<b>\$1,200</b> for each new summer youth hired
WOTC may be carried back one year and carried forward for 20 years.	

**Target Groups** – Businesses can earn federal tax credits for hiring individuals from the following target groups:

**Designated Community Resident** – An 18- to 39-year-old resident of a federally designated Empowerment Zone (EZ), Renewal Community (RC) or Rural Renewal County (RRC).

**Disconnected Youth** – A person who is at least 16 but has not reached 25 years of age on his or her hiring date, lacks basic skills that would make him/her employable and, during the six-month period prior to the hiring date, the employee must not have been regularly employed nor attending secondary, technical or post-secondary school.

**Hurricane Katrina Employee** – A person who, on August 28, 2005, had a main home in the core disaster area and is hired to perform services principally in the core disaster area. This category expires August 28, 2009.

**Long-term Family Assistance Recipient** – A member of a family that received Temporary Assistance to Needy Families (TANF) payments for at least 18 consecutive months ending on the hiring date; or received TANF payments for any 18 months (whether or not consecutive) beginning after August 5, 1997; or was a member of a family that stopped being eligible for Aid to Families with Dependent Children (AFDC).

**Other TANF Recipient (Qualified IV-A Recipient)** – A member of a family that is receiving or recently received TANF benefits for any nine-month period during the 18-month period ending on the hire date.

**Qualified Ex-Felon** – An individual who has been convicted of a felony and has a hiring date which is not more than one year after the last date on which he was convicted or released from prison.

**Food Stamp Recipient** – An 18- to 39-year-old member of a family that received Food Stamps for at least a six-month period prior to the hire date, or received Food Stamps for at least three of the past five months prior to the hire date and is no longer eligible to receive assistance.

**Qualified Veteran** – A veteran who is a member of a family that is receiving or recently received Food Stamps for at least a three-month period during the past 15 months; or is entitled to compensation for a service-connected disability and is hired not more than one year after being discharged or released from active duty; or is entitled to compensation for a service-connected disability and was unemployed for period(s) totaling at least six months of the past year.

**SSI Recipient** – A recipient of Supplemental Security Income (SSI) for at least 30 consecutive days, of which any one day must be within 60 days prior to hire date.

**Summer Youth Employee** – A 16- or 17-year-old Empowerment Zone (EZ) or Renewal Community (RC) resident hired between May 1 and September 15.

**Unemployed Veteran** – A veteran discharged from active duty during the five-year period ending upon hire date and received unemployment compensation for at least four weeks during the year prior to being hired.

**Vocational Rehabilitation Referral** – An individual who completed or is completing rehabilitative services from either a state agency, a veteran funded agency or the ticket to work program.

First Advantage helps deliver hard dollar savings for your organization by screening new hires for tax credit eligibility, tracking employee residency to capture location-based tax credits, identifying and applying for training grants, documenting claims and calculating tax credits earned. For more information, contact us at 800.669.6005, [tax@FADV.com](mailto:tax@FADV.com) or visit us at [www.FADV.com/TaxConsulting](http://www.FADV.com/TaxConsulting).